

REGULAR MEETING OF THE JASPER COUNTY COUNCIL

July 23, 2013

The Jasper County Council met this date at 7:00 P.M. C.S.T. in the Commissioners' Room, Suite 202, of the Jasper County Courthouse located at 115 West Washington Street, Rensselaer, Indiana, with the following members present: Ronald G. Sipkema, H. Dan Stalbaum, Gerrit H. DeVries, Rein O. Bontreger, John T. Price, Stephen R. Jordan and Andrew Andree. Also present was the Auditor of Jasper County, Kimberly K. Grow and Deputy Auditor, Donya Jordan. Mr. Sipkema called the meeting to order and led those present to recite the Pledge of Allegiance.

MINUTES: Mr. Stalbaum made a motion to approve the Minutes of the Regular Meeting held on June 18, 2013. Mr. Price seconded and the motion carried unanimously.

ADDITIONAL APPROPRIATION / COUNTY GENERAL / PERSONAL SERVICES: Councilman Bontreger made a motion to approve **Additional Appropriation Ordinance No. 2013-07A** in the amount of \$6,000.00. This request is to provide part time help to cover the work load for an ill employee in the court system. Mr. Jordan seconded and this motion carried unanimously.

ADDITIONAL APPROPRIATION / SALES DISCLOSURE FUND/OTHER SERVICES AND CHARGES/X SOFT SOFTWARE: County Assessor requested \$40,000.00 to cover the first installment and maintenance on X-Soft, new software for use in her office. The total amount of this software is \$122,700.00 and payments can be spread over four years. The remaining installments will be made from the CEDIT Fund. Mr. Price made a motion to approve **Additional Appropriation Ordinance No. 2013-07B** with DeVries seconded this motion. This request passed unanimously.

ADDITIONAL APPROPRIATION / JAIL SPECIAL CAGIT FUND/OTHER SERVICES AND CHARGES/JAIL REPAIRS: Sheriff Risner requested \$20,000.00 for jail repairs. There have been several expenses over the past few months that have depleted this line. Councilman Jordan made a motion to approve **Additional Appropriation Ordinance No. 2013-07C** in the amount of \$20,000.00 and Mr. Price seconded. Motion carried unanimously.

TRANSFER/DRUG FREE COMMUNITY FUND: Attorney Monfort requested \$517.58 to be transferred from the Office Expense Line to the Education and Prevention Line to support the scholarship awards this organization gives annually. Mr. Price made the motion to approve and Mr. DeVries seconded. This motion carried.

ADDITIONAL BUSINESS:

ANNUAL ABATEMENT REVIEWS

Wilson Industrial Sales Company Inc.-Shannon Shanley, a representative for this company was present to update the council on their first year of their ten year abatement. They occupied the building on October 1, 2012. The company estimated to hire 5-9 additional employees and at this time have employed 14. Mr. Jordan made the motion to approve this abatement and Mr. Bontreger seconded. Motion carried unanimously.

Terborg Distributing, Inc.-Brian Jonkman, President gave a brief update on their abatement promise of hiring two additional employees to their workforce. At this time they have hired those two employees and are close to completing their three year commitment to the county. The 13 pay 14 will be the first year of their three year abatement. Councilman Stalbaum made a motion to approve this abatement with Mr. Bontreger seconding this motion. Motion carried unanimously.

Iroquois Bio-Energy Company-This Company was represented by Gunner Green, General Manager. He stated business is stable and is asking for the continuation of their abatements. Their first abatement is in year seven of ten and the second abatement is in year four of ten. Councilman Price made a motion to approve the abatements for 13 pay 14 and Mr. Stalbaum seconded. Motion carried unanimously.

Monsanto-John Sturgis was present to represent Monsanto for their abatement request. He stated Monsanto is fully staffed of the proposed positions stated on the original abatement request. Councilman Stalbaum would like to make note that it was wonderful to see the donation that was made by Monsanto to the local food pantry. This donation shows the commitment this company has to the community and is a good partner for Jasper County. Mr. Bontreger made a motion to approve this abatement. Mr. Jordan seconded and the motion carried unanimously.

Advance Auto-Three representatives were here to speak on behalf of their company. As of June, 2013 the total capital investment of the Jasper County Facility is \$102,127,260.00. At this time they have

373 full time and 33 part time employees. By the end of the first week of August they should've hired fifty to sixty more people. Thirty one percent of their workforce is residents of Jasper County. Mr. Price made a motion to approve the abatement for 2013 pay 2014 and Mr. Bontreger seconded. This motion carried unanimously.

INNKEEPER'S TAX: The Jasper County Auditor and The Jasper County Treasurer wanted clarification from the council stated in the minutes concerning whether renting campsites should be included in the collection of the innkeeper's tax. The state statute doesn't include campsites in the list of accommodations. Attorney Monfort stated even though the statute doesn't include campsites some counties have included campsites and are assessing this tax and some counties don't include and collect on campsites. Mr. Price commented that tourist cabin are included in the statute and a campsite is very comparable to these. Attorney Monfort added the distinction between a campsite and a room or tourist cabin is the individual actually owns the recreational vehicle and is personal property that is sitting on the campsite. Renting a room at a motel, hotel or tourism cabin, etc. is renting real property and that this is a decision the county council has to make. Councilman Stalbaum says he feels that it wasn't the intent of this council to assess this tax on campsites Mr. Jordan stated that he feels campsites don't fit in the description of the statute. Mr. DeVries added the council needs to look at the big picture as to what the intent was when they adopted this tax. The intent was to promote the county fair and festivals. He feels campsites should be included in the collection of this tax. Mr. Price made a motion to include renting of campsites in the collection of the innkeeper's tax and Mr. DeVries seconded. Motion didn't pass. Mr. Stalbaum made a motion to "leave it as is." This was seconded by Councilman Andree. Mr. Jordan abstained because of his involvement with the Jasper County Fair Association. Motion passed with the majority of the vote.

Jasper County Watershed and Conservation Program Specialist Contract: The contract for the Watershed and Conservation Specialist between Jasper County and the Soil and Water Conservation District Board. There was a question concerning the statement "This agreement will be for an additional period of two years, beginning on the 28th of June, 2013, after which a review will be conducted annually by August 1 of the appropriate year." Jim Martin, Soil and Water Board Member said he didn't have a problem in changing this so it makes more sense and coming back next month. After a discussion Dan Stalbaum made a motion to approve this contract as is with Mr. Jordan seconding. Motion passed unanimously.

Umbaugh-LOIT PTRC Rates and Circuit Breaker: Brian Colton and Belvia Gray were present to provide information to the council and interested citizens concerning the Local Option Income Tax Property Tax Replacement Credit Rate and the Circuit Breakers and what the impact would be if the income tax rate was reduced and the property tax rates were to increase. Ms. Gray explained what the circuit breaker is. Depending on the type of property (1% of homestead properties, 2% of agriculture land, rental property and care facilities and 3% of commercial and personal property) taxes can't exceed the percentage of the gross assessed value for the appropriate classification of the property. An example would be if a taxpayer's home is assessed at \$100,000.00 the annual property taxes couldn't exceed \$1,000.00. The only caps that are seen in Jasper County are from the Over 65 Circuit Breaker which is a special deduction with special requirements that you have to apply for. This deduction limits the growth on the person's tax bill to no more than two percent annually. Reducing the Local Option Income Tax Property Tax Replacement Credit by one eighth or one quarter of a percent wouldn't create any Circuit Breaker Credits but the taxpayers would see an increase on their tax bill. All taxing units within a county are now interdependent and the actions of one unit can impact another taxing unit. If a unit creates debt which is not through a referendum and increases their budget this could create Circuit Breaker Losses which would reduce the budgets for all of the appropriate taxing units in the county. There is no direct correlation between your property taxes and your income tax and each individual would have to look at their own set of circumstances to see which their impact would be from decreasing this income tax rate and increasing the property tax rate. Ms. Gray also explained they looked at the different impacts on this shift. If you owned a home in Marion Twp. with an assessed value of \$100,000.00 shifting one eighth of a percent from the income tax rate to the property tax rate the property taxes would increase approximately \$20.00 annually and if you had an adjusted gross income of \$100,000.00 you would see a decrease of \$125.00 per year.

Council President Ron Sipkema opened the public hearing by asking questions from anyone in the audience. Ms. Gray answered several questions.

Mr. Sipkema then asked for public comment. Diane Richardson commented on how unfair this tax (LOIT-PTRC) is and how some parties don't pay into this tax but receive the credit on the other end. She feels the council needs to look at the other two options of distribution of this credit instead of having all of the taxpayers receiving this benefit. Paul Norwine added a comment concerning the taxation of the young adults (ages 16 through 19) how they have to pay this big tax and don't received anything in return. Mark Kingma stated he feels everyone including the young people do receive services (fire and police services as an example) provided through property taxes He also stated if this income tax is lowered the bulk of the increase in property tax will be paid by landowners. James Arndt added he doesn't like to see his county income tax as the same as the states. Kathy Markwalder stated she is a homeowner and a wage earner and doesn't understand why the income tax rate is so high. She also wanted to know why the taxes she pays are supporting the Jasper County Airport. Don Abbring added

more people would move to the county if the income tax rate wasn't so high. Scott Nagel would like to see everything stay the same and understands that whatever is decided there will be winners and losers. Assessed values on farm ground increases every year causing farmers to pay more in property taxes and they also pay more in income tax on a good year of farming. He encouraged the council to leave everything the same. Linda Commingore stated the residents of Jasper County enjoy the benefits of services provided by the county. She would not like to live in Lake County where they do have a lower income tax rate but have had to cut services and have roads in disrepair because of cutting services due to cap losses. Households who are on a very limited income have to decide on whether to by food or medicine every month and an increase in property taxes would not make things any easier for them. Kendell Culp passed out information of a presentation he attended given by Larry DeBoer, a professor of agriculture economics at Purdue University. In this presentation, it showed homestead taxes have decreased by forty percent while farm ground has increased by forty five percent and will increase tremendously over the next four years. He asked the council to please remember Jasper County is number one in agriculture in the state and a shift in lowering one tax increases another tax. Diane Richardson, Daryl King and Mark Kingma also added comments to this discussion.

The council voted to adopt LOIT A which is the Growth Factor Rate with John Price making the motion to collect the budget increase through property taxes. Mr. Jordan seconded this motion with it carrying unanimously.

The council took all comments made tonight under advisement and will vote on LOIT B-PTRC Rate at the August meeting.

LOIT C (Public Safety) will be left as is at $\frac{1}{4}$ of a percent.

MEETING ADJOURNED: Mr. Jordan made a motion to adjourn the meeting with Mr. DeVries seconding the motion. The meeting was adjourned.


Ronald G. Sipkema, President


Kimberly K. Grow, Auditor of Jasper County